

Committee on Homeless Youth, Foster Care and Dependency

North Carolina Child Welfare Funding

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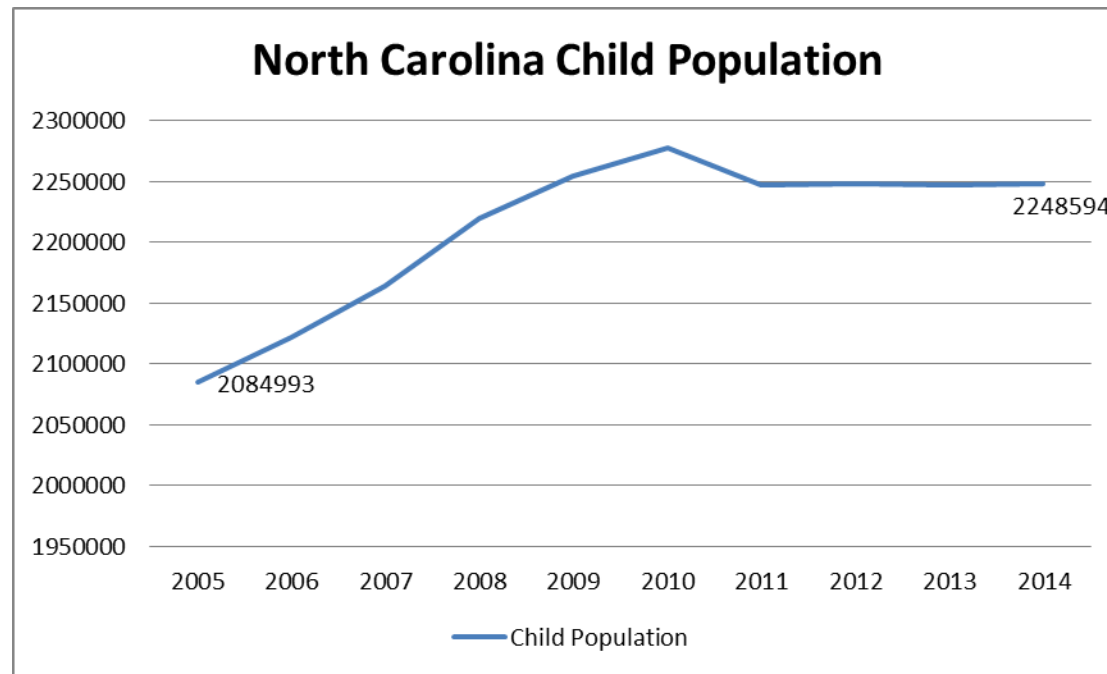
FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Presentation Outline

- *Child Welfare*
- *Child Protective Services*
- *Foster Care*
- *Adoption*
- *Family Preservation*

North Carolina Child Population Growth

- The statewide under 18 population in North Carolina has grown from 2,084,993 in June 2005 to 2,248,594 in June 2014, a 7.8% increase.



Source: Population Estimates produced by the U.S. Census Bureau (<http://www.census.gov/popest/estimates.html>)
Duncan, D.F., Kum, H.C., Flair, K.A., Stewart, C.J., Vaughn, J.S., Guest, S., Rose, R.A., Gwaltney, A.Y., and Gogan, H.C. (2016). Management Assistance for Child Welfare, Work First, and Food & Nutrition Services in North Carolina (v3.2). Retrieved April 4, 2015 from the University of North Carolina at Chapel Hill Jordan Institute for Families website. [Http://ssw.unc.edu/ma/](http://ssw.unc.edu/ma/)

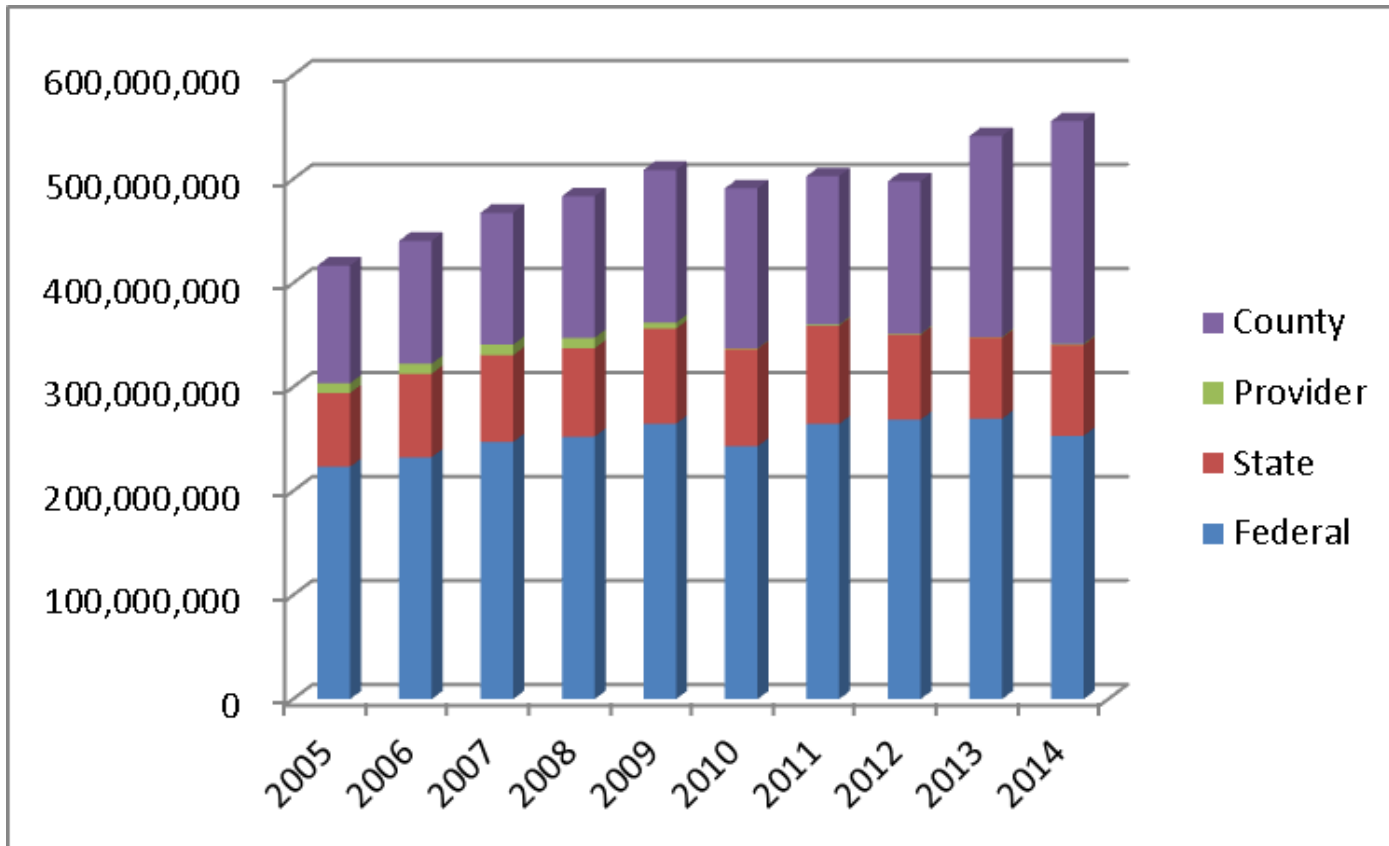
Child Welfare Services

Child welfare is a continuum of services designed to ensure that children are safe and that families have the necessary support to care for their children successfully. These services include:

- Prevention services such as family support services, family preservation services, intensive family preservation services, and family reunification services.
- Child Protective services; and placement services, including adoption.
- Foster Care Services.

Child Welfare Services Expenditures

Fiscal Years 2005 -2014

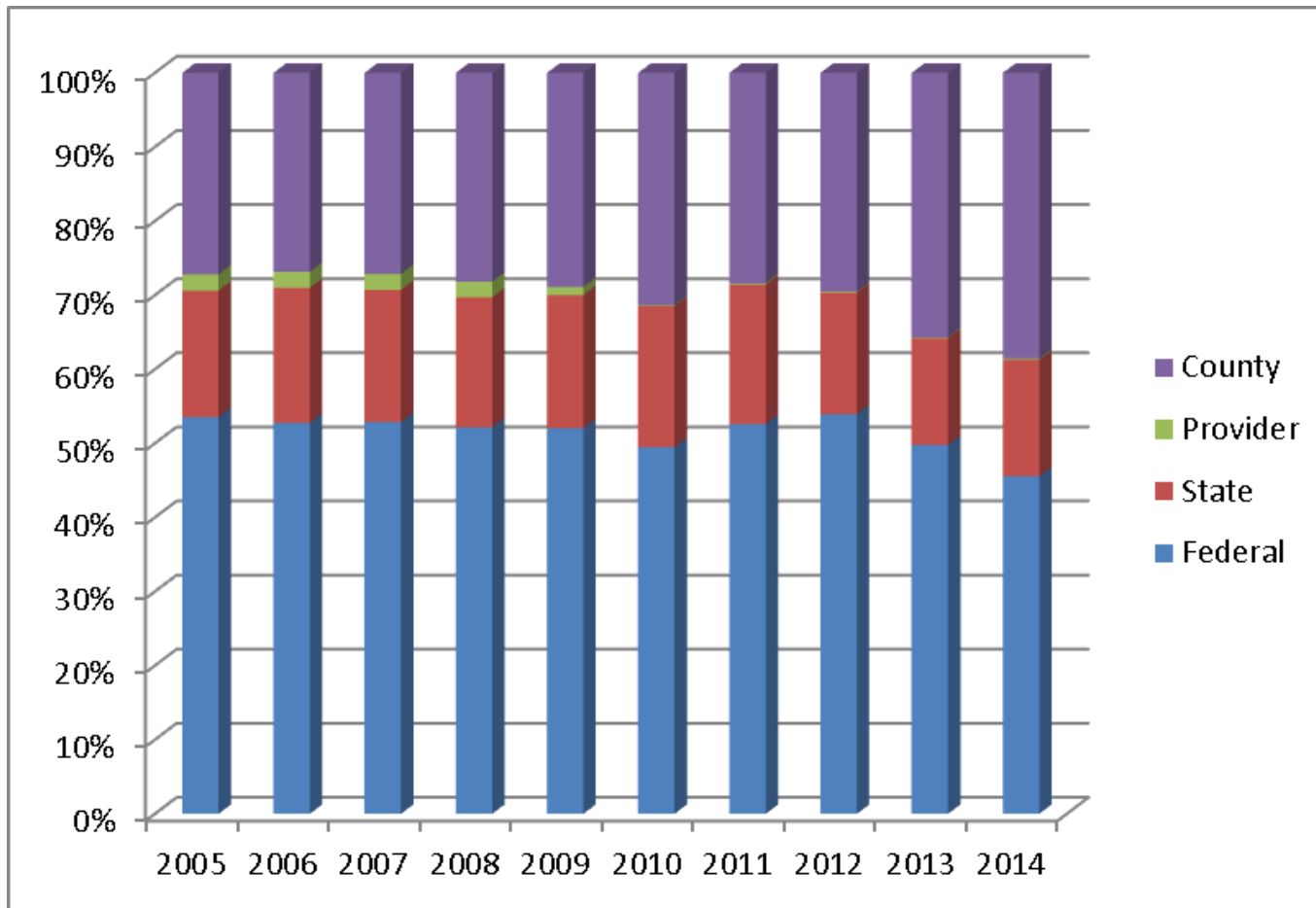


Note:
Expenditures have increased \$138.8 million from fiscal year 2005 to 2014 a 33% increase.

Source: Division of Social Services, CW Funding.xls

Child Welfare Services Funding Sources

Fiscal Years 2005 -2014



Note:

From fiscal year 2005 to fiscal year 2014 as a percentage of overall funding, federal funding has decreased by 8 percentage points, state funding has decreased by 1.3 percentage points, provider match funding has decreased by 2 percentage points and county funding has increased by 11.4 percentage points.

Source: Division of Social Services, CW Funding.xls

Recent Budget Impacts on Child Welfare Services

S.L. 2014-100 provided funding for the following:

- **Enhanced Oversight of County Child Welfare Services** - \$700,000. Provided funds for 9 positions to enhance the oversight of child welfare services in local county departments of social services.
- **Child Welfare In-Home Expansion** - \$4.5 million. Increased funding for In-Home Services which are provided to maintain the safety of the child while helping the parent/caretaker learn more effective parent practices.

Child Protective Services

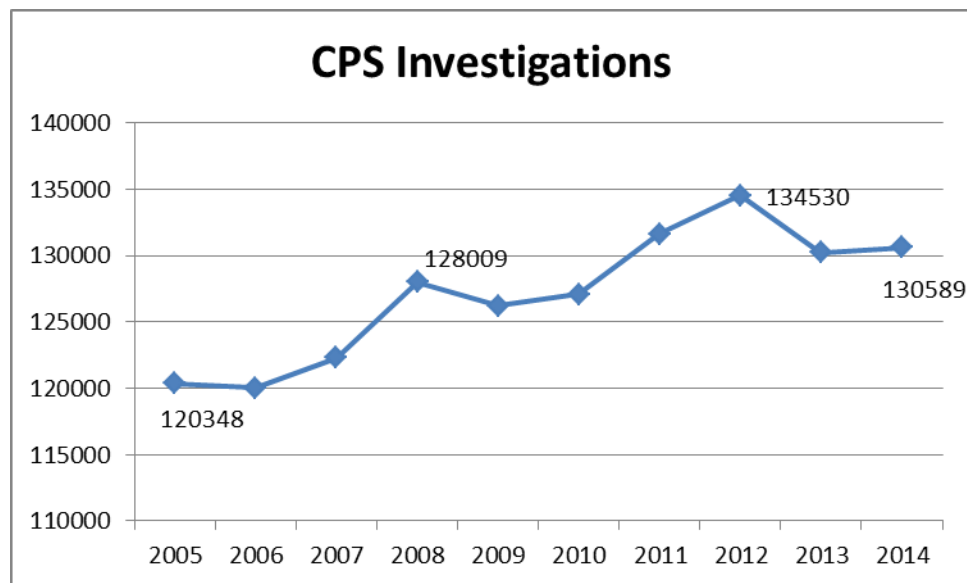
Child Protective Services (CPS) helps prevent further harm to children from abuse, exploitation or neglect by a parent or caretaker. CPS workers in county departments of social services (DSS) accomplish this through:

- Assessing suspected cases of abuse and neglect.
- Assisting the family in diagnosing the problem.
- Providing in-home counseling and supportive services to help children stay at home with their families.
- Coordinating community and agency services for the family.
- Petitioning the court for removal of the child, if necessary.
- Providing public information about child abuse and neglect.

Source: NC DHHS Open Window, <http://dhhsopenwindow.nc.gov/>

Child Protective Service Investigations Growth

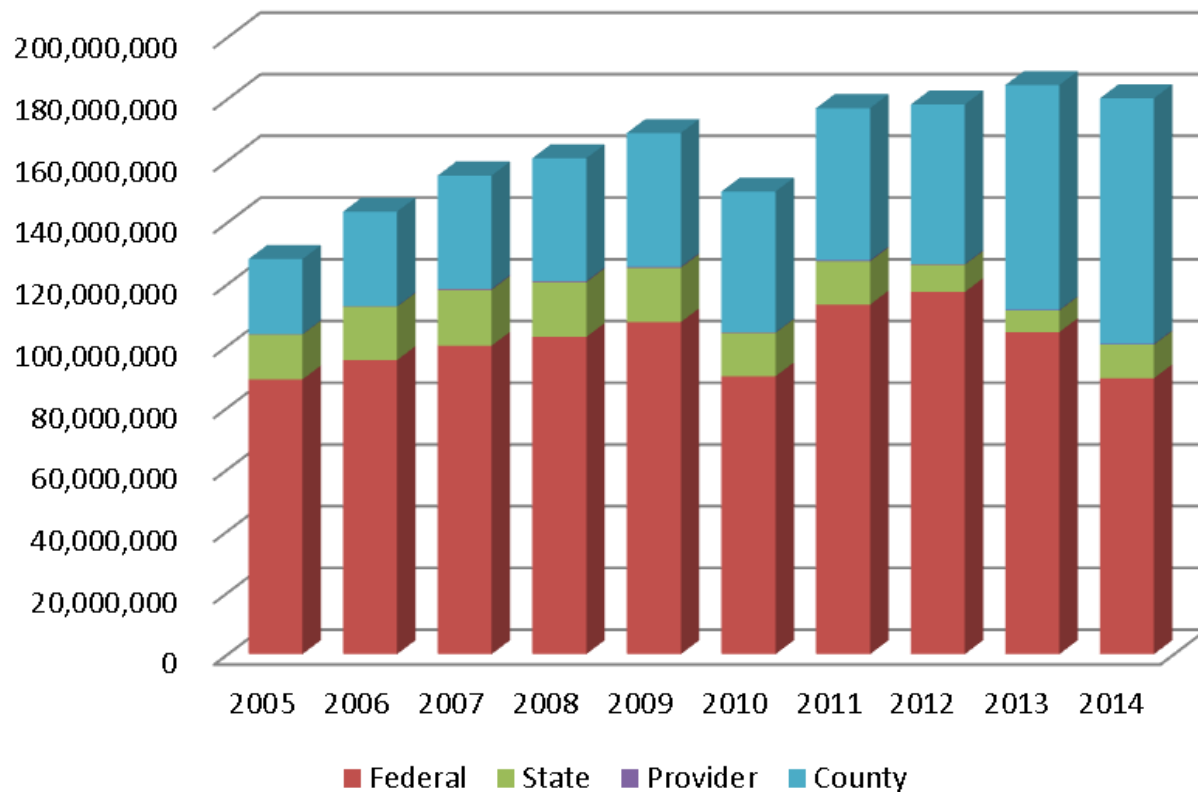
The **number** of Child Protective Services investigations in North Carolina has grown from 120,348 in fiscal year 2005 to 130,589 in fiscal year 2014, an increase of 8.5%.



Source: Duncan, D.F., Kum, H.C., Flair, K.A., Stewart, C.J., Vaughn, J.S., Guest, S., Rose, R.A., Gwaltney, A.Y., and Gogan, H.C. (2016). Management Assistance for Child Welfare, Work First, and Food & Nutrition Services in North Carolina (v3.2). Retrieved April 4, 2015 from the University of North Carolina at Chapel Hill Jordan Institute for Families website. [Http://ssw.unc.edu/ma/](http://ssw.unc.edu/ma/)

Child Protective Services Expenditures

Fiscal Years 2005 -2014



Note: Expenditures have increased \$52.1 million from fiscal year 2005 to 2014 a 40.7% increase.

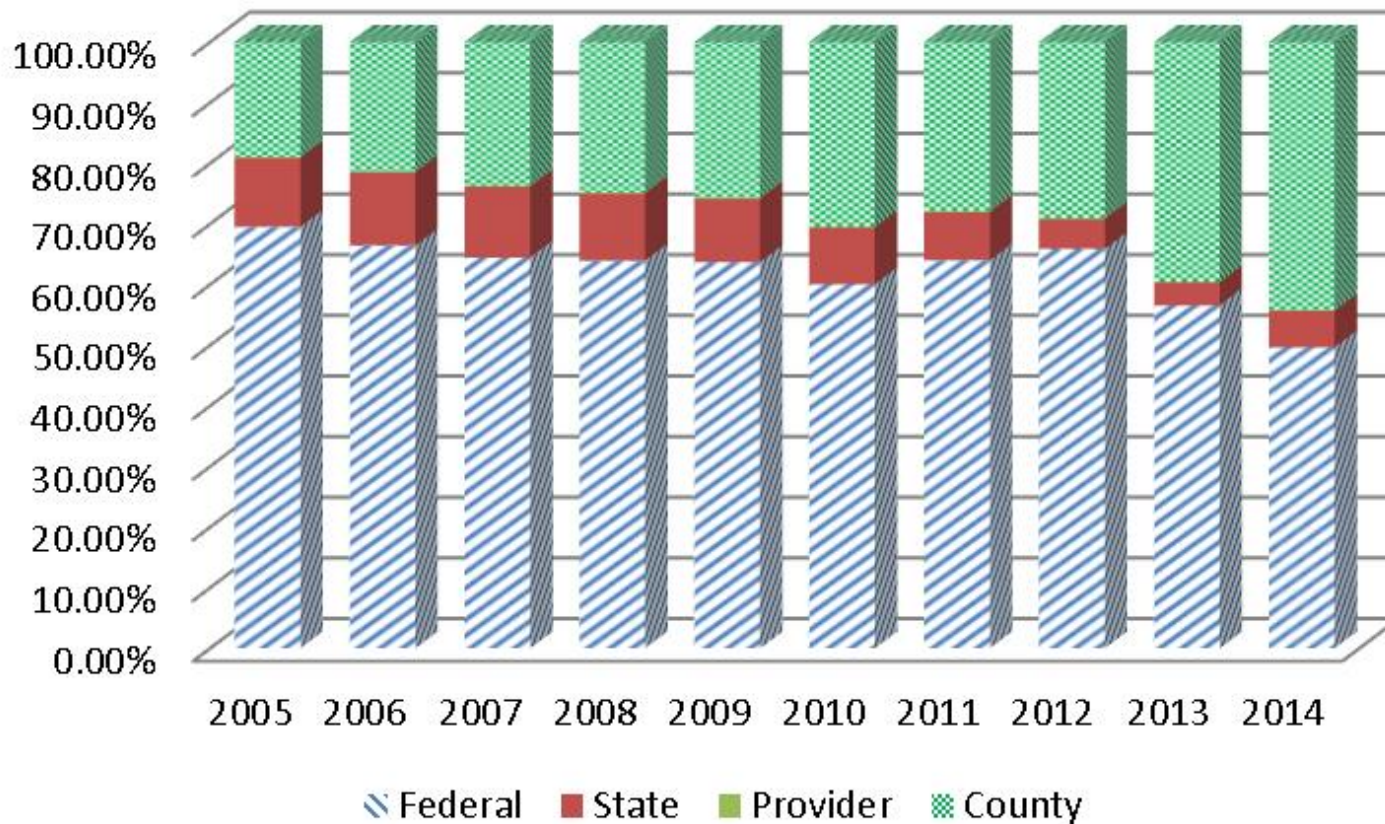
Fiscal Year 2010 saw a drop in total expenditures of \$19 million for CPS.

Federal funds were \$17.6 million less and state funds were \$3.6 million less than in fiscal year 2009, while county funding was up \$2.3 million.

Further analysis is needed to understand why this occurred.

Source: Division of Social Services, CW Funding.xls

Child Protective Services Funding Sources Fiscal Years 2005 -2014



Note:

From fiscal year 2005 to fiscal year 2014 as a percentage of overall funding, federal funding has decreased by 20 percentage points, state funding has decreased by 5 percentage points, and county funding has increased by 25 percentage points.

Source: Division of Social Services, CW Funding.xls

Recent Budget Impacts on Child Protective Services

- County loss of Federal Title IV-E funds. In 2013 the Division of Social Services estimated this loss to be \$14.6 million on a recurring basis.
- The Governor recommended \$4.8 million to partially replace this loss of federal Title IV-E funding. The recommended appropriation replaces 33% of the lost federal funding on a nonrecurring basis to support the counties while the North Carolina Families Accessing Services through Technology (NCFAST) information system is being developed and implemented.
- The legislature enacted the Governor's recommendation of a nonrecurring increase of \$4.8 million to partially replace the loss of the estimated \$14.6 million in Title IV-E federal funding. (S.L. 2013-360)

Recent Budget Impacts on Child Protective Services

S.L. 2014-100 provided funding for Child Protective Services (CPS:

- **CPS workers at county departments of social services** - \$7.3 million. Of this funding \$4.5 million replaced federal block grant funds counties lost in FY 2013-14 that was utilized to pay for CPS Workers. An additional \$2.8 million was provided to reduce county departments of social services caseloads.
- **Child Protective Services Statewide Evaluation** - \$700,000. Funded an independent statewide evaluation of CPS at local departments of social services and the Department of Health and Human Services. The evaluation included assessing performance, caseload sizes administrative structure, funding and worker turnover and included recommendations on improving CPS. The report was provided March 1, 2016.
- **Child Protective Services Pilot Program** - \$300,000. Funded a pilot project to develop and implement a program designed to enhance coordination of services and information among agencies to improve the protection and outcomes for vulnerable children served.

Foster Care Services

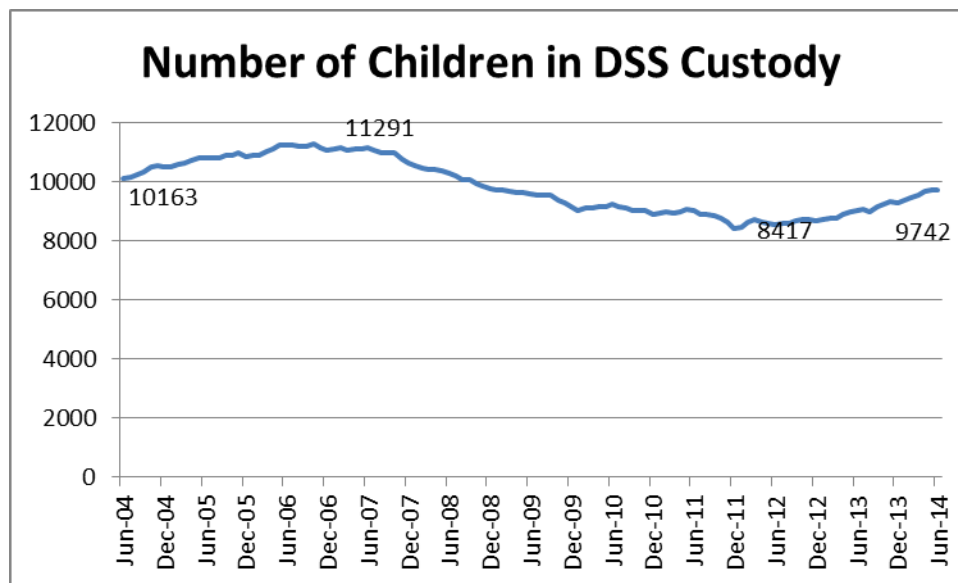
Foster Care services provide temporary care for infants, children and adolescents who have been removed from their own homes because their families cannot or will not provide protection or care for them adequately. Foster Care Services are designed to strengthen, preserve, and/or reunite families after children have come into agency legal custody or placement responsibility. Foster Care Services:

- Help families strengthen their parenting abilities
- Help children with health, educational, mental health and developmental needs
- Help young adults who are aging out or have already aged out of the foster care system

Source: NC DHHS Open Window, <http://dhhsopenwindow.nc.gov/>

Foster Care Growth

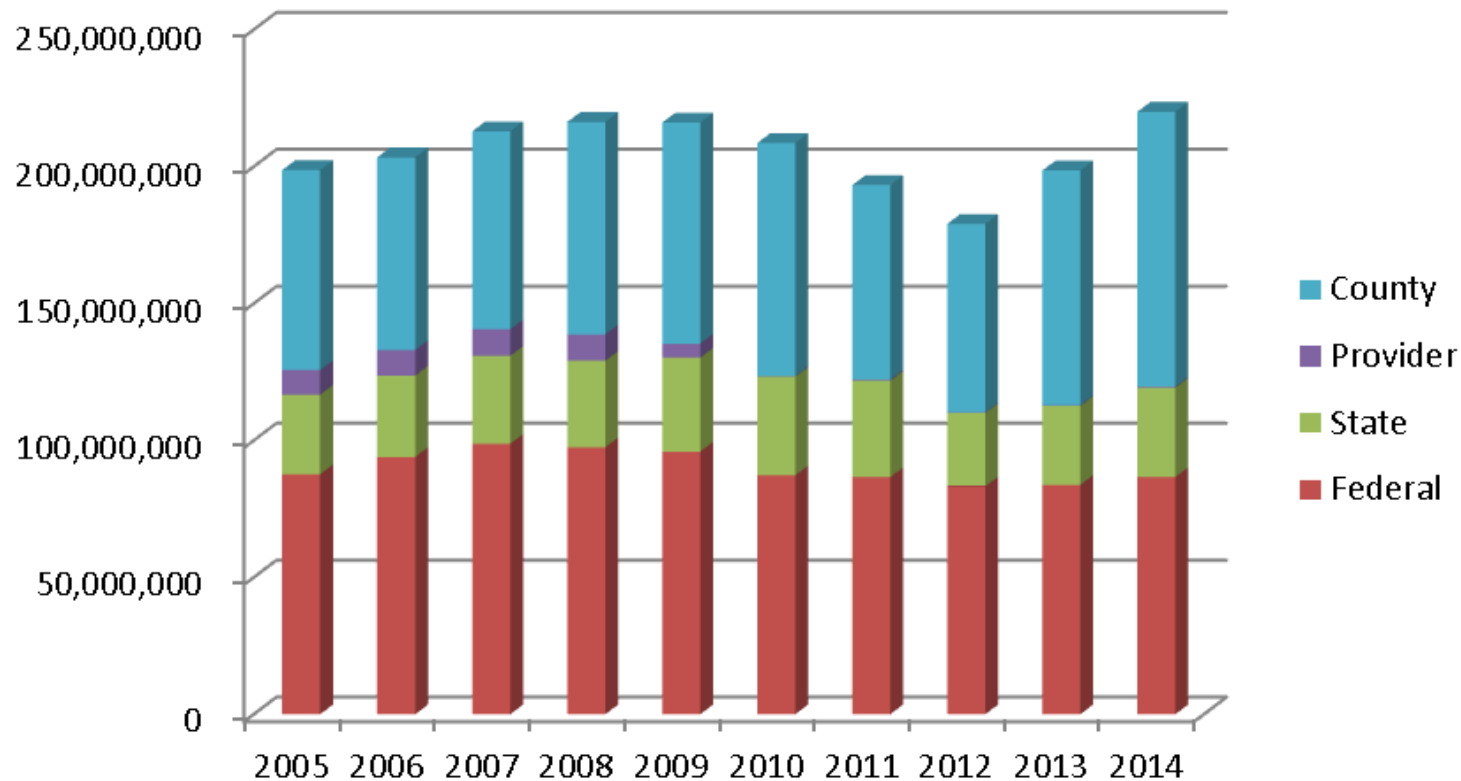
The **number** of children in Foster Care fluctuates. There is a current upward trend in the number of children in Foster Care.



Source: Duncan, D.F., Kum, H.C., Flair, K.A., Stewart, C.J., Vaughn, J.S., Guest, S., Rose, R.A., Gwaltney, A.Y., and Gogan, H.C. (2016). Management Assistance for Child Welfare, Work First, and Food & Nutrition Services in North Carolina (v3.2). Retrieved April 4, 2015 from the University of North Carolina at Chapel Hill Jordan Institute for Families website. [Http://ssw.unc.edu/ma/](http://ssw.unc.edu/ma/)

Foster Care Expenditures

Fiscal Years 2005 -2014

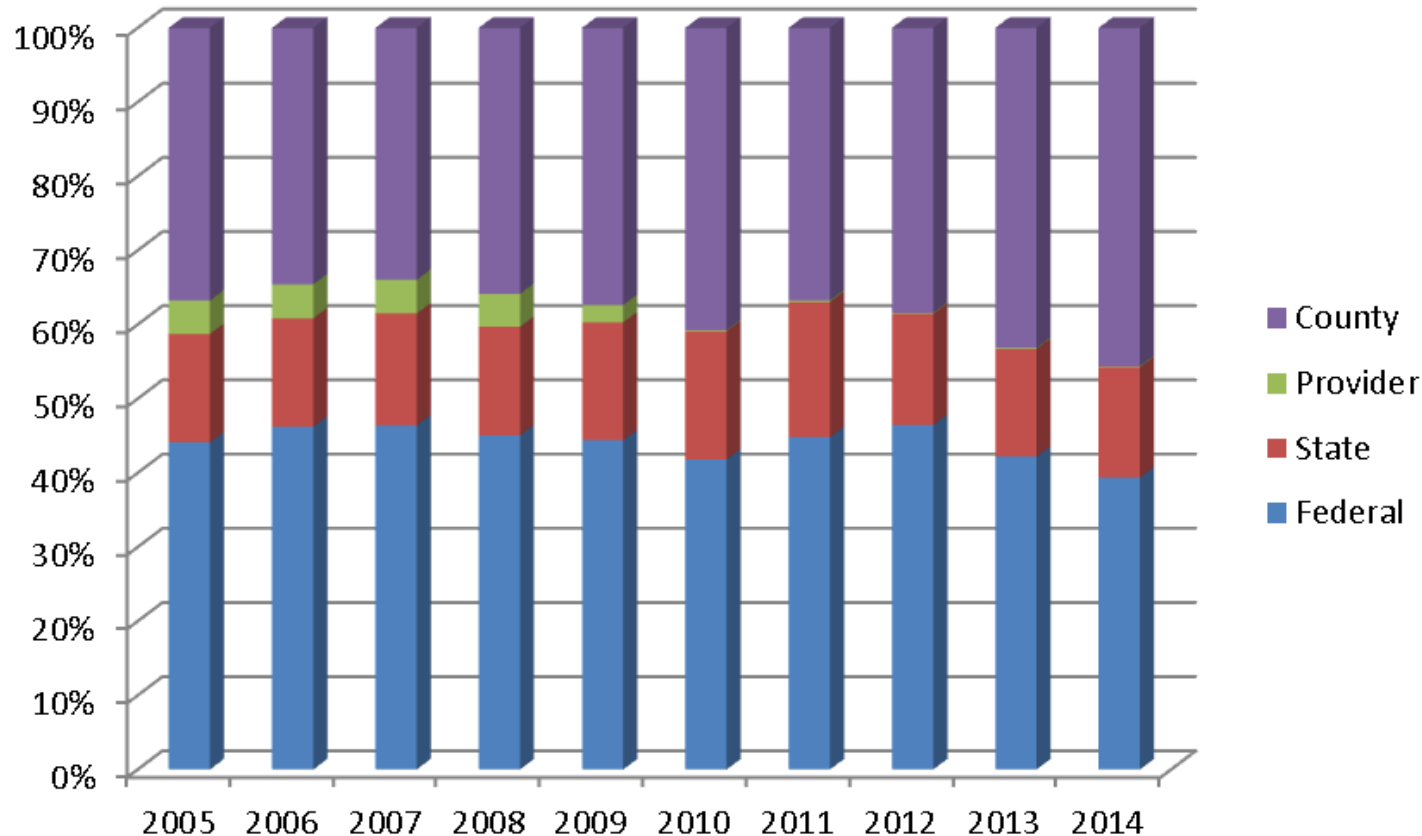


Note:
Expenditures have fluctuated over the years, but increased \$21 million from fiscal year 2005 to 2014 a 10.7% increase.

Source: Division of Social Services, CW Funding.xls

Foster Care Funding Sources

Fiscal Years 2005 -2014



Note:

From fiscal year 2005 to fiscal year 2014 as a percentage of overall funding, federal funding has decreased by 20 percentage points, state funding has decreased by 5 percentage points, and county funding has increased by 25 percentage points.

Source: Division of Social Services, CW Funding.xls

Recent Budget Impacts on Foster Care

Foster Care Caseload increases:

- S.L. 2014-100 provided \$5 million recurring
- S.L. 2015-241 provides \$4.5 million recurring in fiscal year 2015-16 and \$7.5 million recurring in fiscal year 2016-17.

Foster Care Expansion to Age 21

- S.L. 2015-241 provides funding to expand foster care to age 21. Recurring funding of \$50,000 is provided in FY 2015-16 for one position and \$1 million is provided in FY 2016-17 for the position and foster care assistance payments for the youth who stay in foster care after the age of 21.

Permanency Innovation Fund

- S.L. 2013-360 provided recurring funding of \$1 million in FY 2013-14 and \$2.75 million to improve the permanency outcomes for children living in foster cares.

Transition of Youths in Foster Care

- S.L. 2015-241 provides recurring funding of \$1.3 million in FY 2015-16 and \$1.75 million in FY 2016-17 to support a demonstration project with services provided by Youth Villages to improve outcomes for youth ages 17-21 years who transition from foster care.

Adoption Services

Adoption Services help children whose birth parents cannot care for them to become part of a new family. County departments of social services and private child-placing agencies provide these services, including:

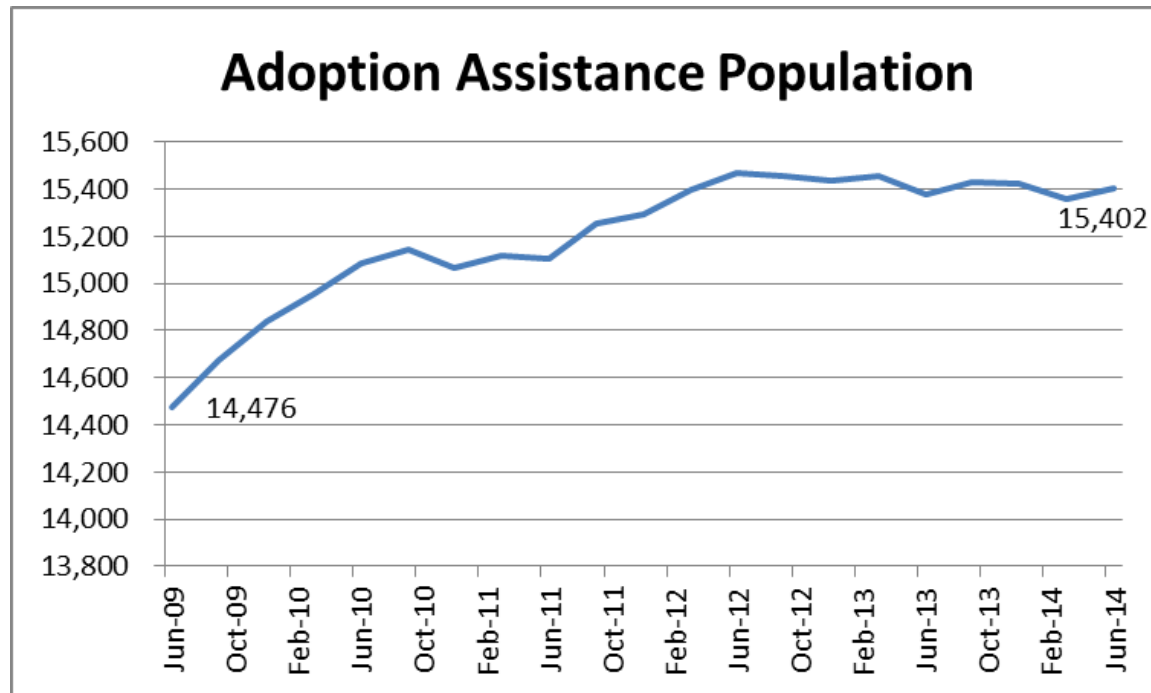
- Recruiting, assessing and selecting adoptive homes.
- Casework services for adoptive families to help sustain the placement.
- Help finalizing the legal adoption.
- Post-adoption services.

These services benefit children in the foster care system and the families who adopt them.

Source: NC DHHS Open Window, <http://dhhsopenwindow.nc.gov/>

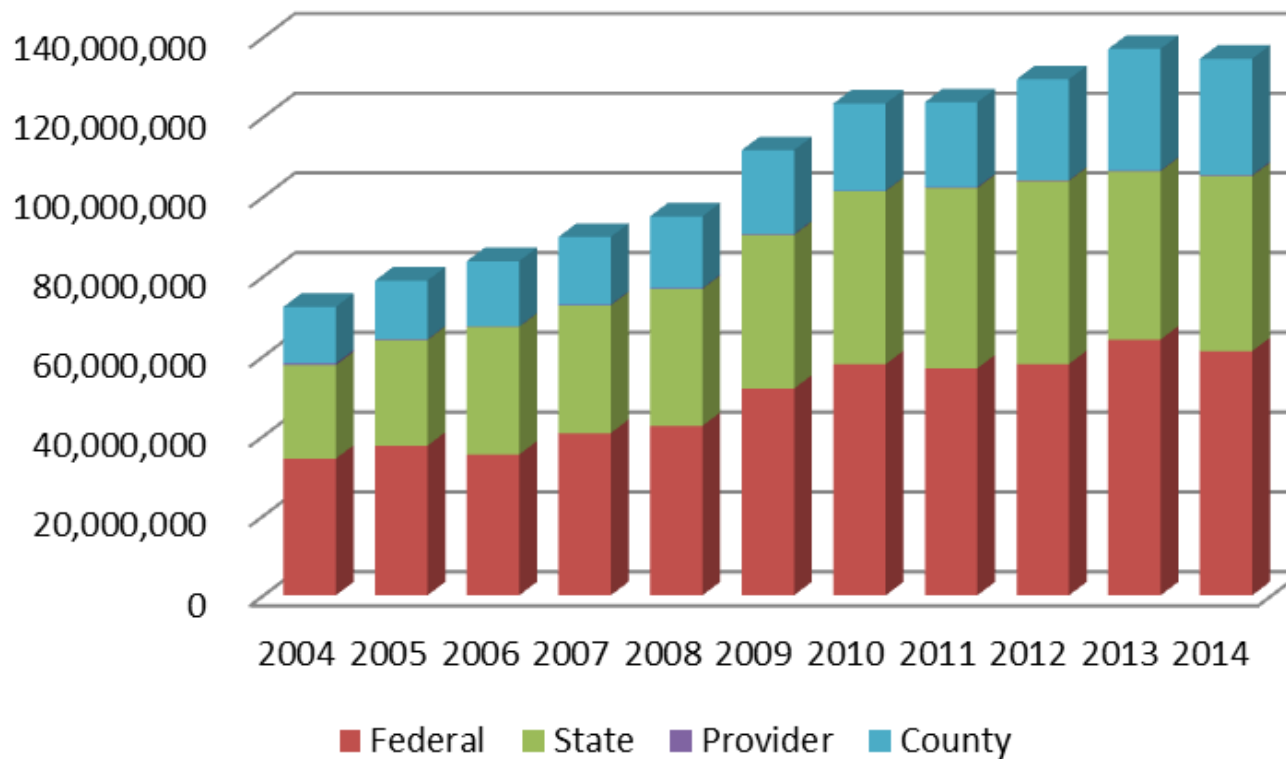
Adoption Assistance Growth

The **number** of children receiving Adoption Assistance has increased from 14,476 in June 2009 to 15,409 in June 2014, an increase of 6.4%.



Source: Division of Social Services, FC and AA_updt_Dec 15.slsx.

Adoption Expenditures Fiscal Years 2005 -2014

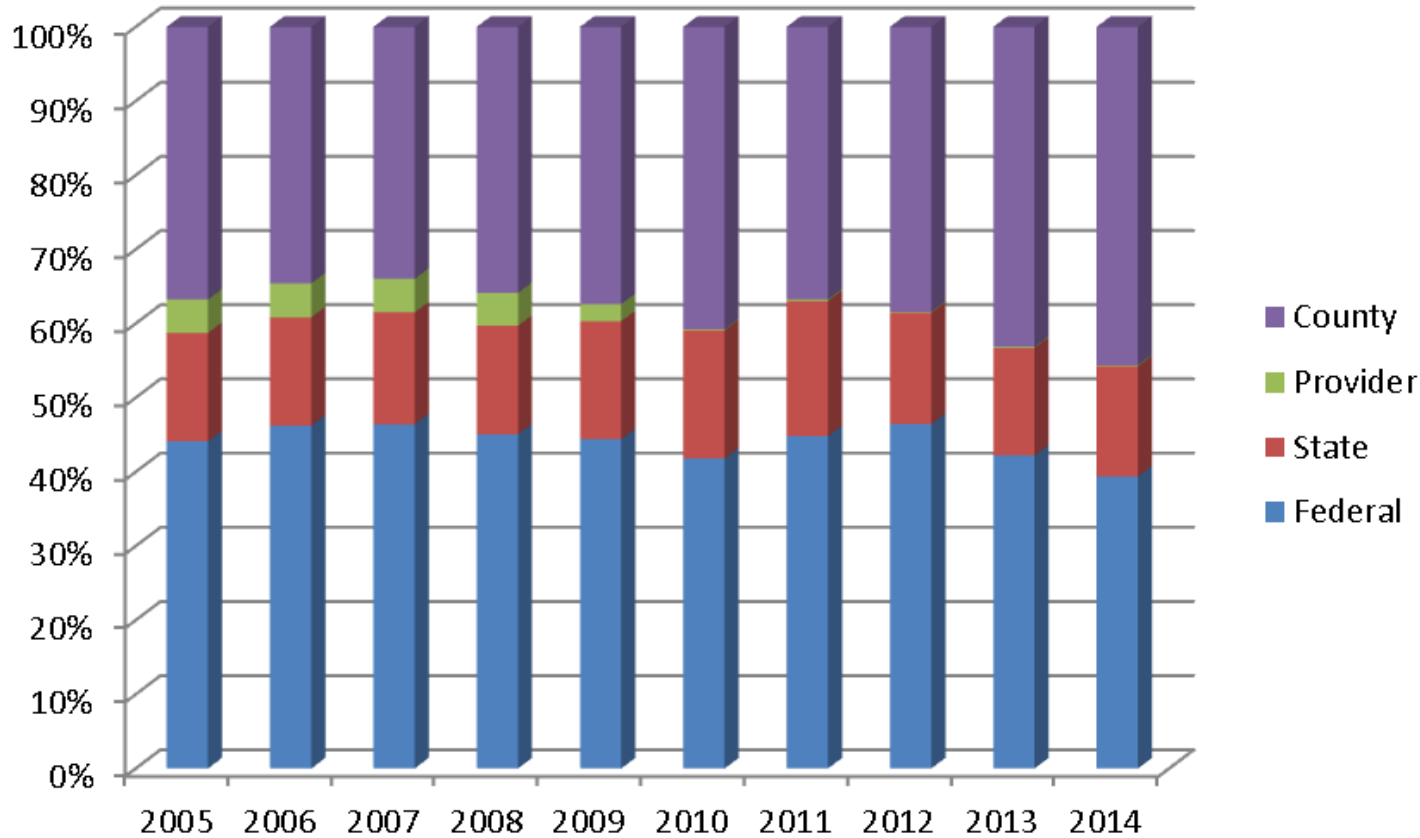


Note:
Expenditures
have increased
\$55.6 million
from fiscal
year 2005 to
2014 a 70%
increase.

Source: Division of Social Services, CW Funding.xls

Adoption Funding Sources

Fiscal Years 2005 -2014



Note:

From fiscal year 2005 to fiscal year 2014 as a percentage of overall funding, federal funding has decreased by 2 percentage points, state funding has decreased by 1 percentage point, and county funding has increased by 3 percentage points.

Source: Division of Social Services, CW Funding.xls

Recent Budget Impacts on Adoption

Adoption Promotion Fund - S.L. 2013-360 provided \$1.5 million recurring funding to support adoptions through reimbursements to private nonprofit organizations to support adoption programs and provide financial incentive to county departments of social services to complete adoptions above an established baseline.

Adoption Assistance for Youth Adopted after Age 16 – S.L. 2015-241 provides \$100,000 recurring funding Adoption Assistance. Federal rules require that if states extend foster care past age 18, they must extend adoption assistance for youth adopted after age 16 to the same age as foster care.

Family Preservation Services

- **Intensive Family Preservation Services (IFPS)** provides in-home crisis intervention services designed to help families at imminent risk of having a child removed from the home. This model is characterized by very small caseloads for workers, short duration of services (six weeks), 24-hour availability of staff, and the provision of services primarily in the child's home or in another environment. Services can include assessment, counseling, skills training, referral, advocacy, case management and follow-up.
- **Family Preservation Services (FPS)** are interventions that target at-risk families who are at high risk (although not at imminent risk) of placement out of the home. These services are provided for a maximum of 6 months, and have varying degrees of intensity depending on the needs of the family. Specific services offered are individual and family therapy, crisis intervention, emergency financial assistance, case management, mentoring, and client advocacy. Services are marked by 24-hour availability of staff, the provision of services primarily in the child's home, and a goal of maintaining a safe and intact family unit.

Source: Division of Social Services Community Based Programs website: <https://www2.ncdhhs.gov/dss/community/index.htm>

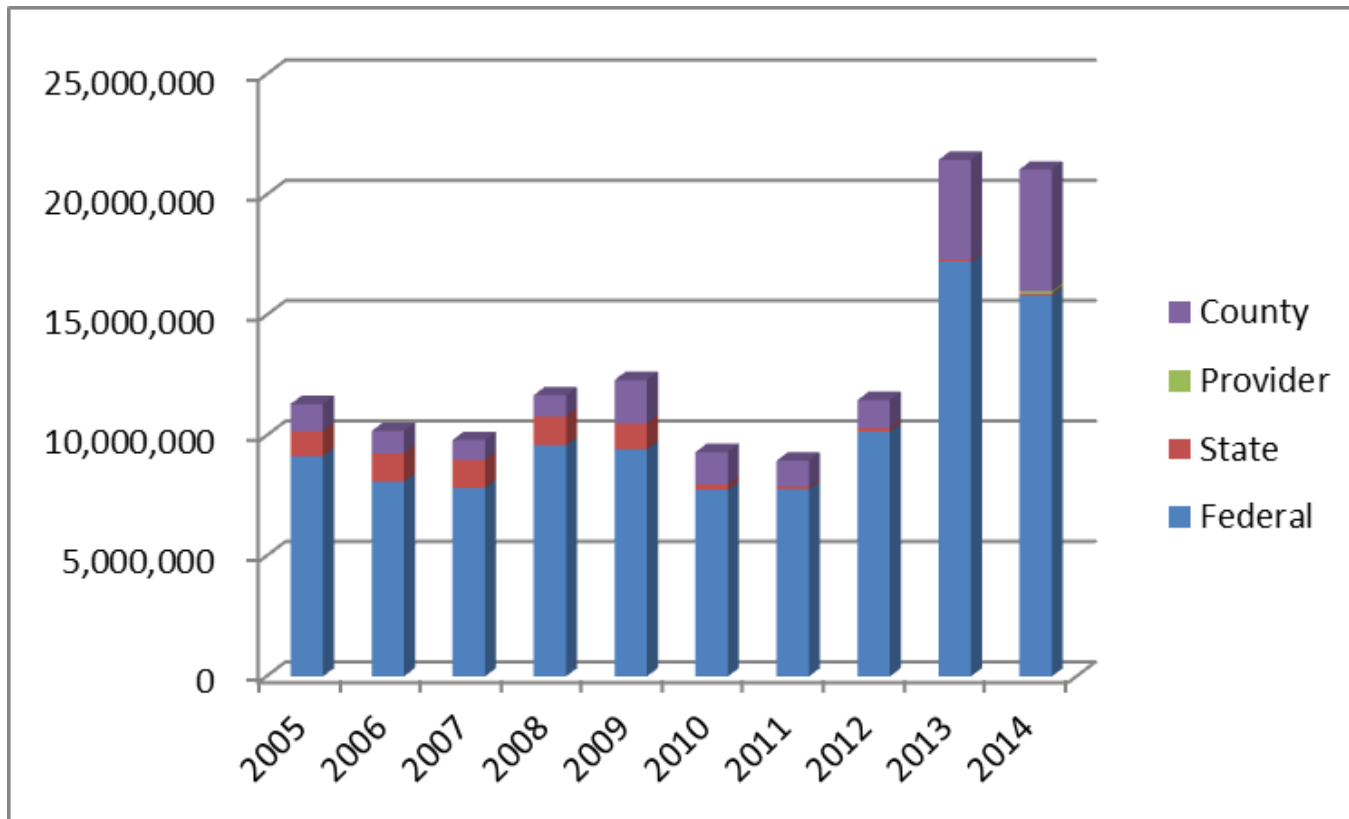
Family Preservation Services

- **Family Support Programs/Family Resource Center Services(FRCs)** programs are a conceptual approach to strengthening and empowering families and communities through evidence based programming so they can foster the most favorable development of all family members. The operating premise of family support program/Family Resource Programs is that if family and child quality of life is improved, the risk of abuse/neglect and foster care placement decreases. The Family Resource Centers are a community-based, centralized source for family support services that may be provided through on-site programming or home-based strategies. Services established at FRCs are provided for all family members

Source: Division of Social Services Community Based Programs website: <https://www2.ncdhhs.gov/dss/community/index.htm>

Family Preservation Expenditures

Fiscal Years 2005 -2014

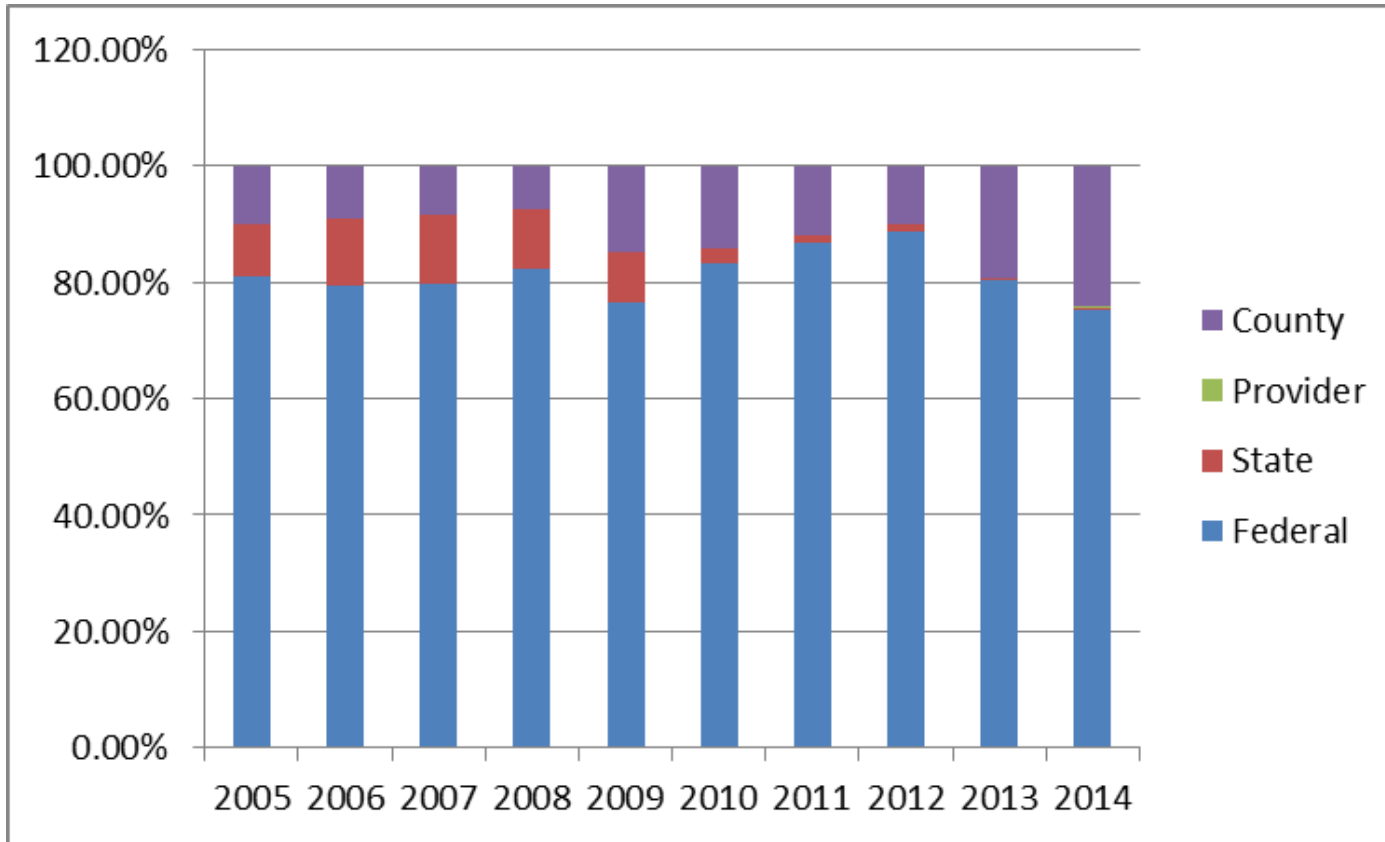


Note:
Expenditures have increased \$10 million from fiscal year 2005 to 2014 a 77% increase.

Source: Division of Social Services, CW Funding.xls

Family Preservation Funding Sources

Fiscal Years 2005 -2014



Note:

From fiscal year 2005 to fiscal year 2014 as a percentage of overall funding, federal funding has decreased by 5.6 percentage points, state funding has decreased by 8.9 percentage points, and county funding has increased by 14 percentage points.

Source: Division of Social Services, CW Funding.xls

Questions?

Fiscal Research Division

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www.ncleg.net/fiscalresearch/